



**DEPARTMENT OF SOCIAL SERVICES**  
DIVISION OF ADULT SERVICES AND AGING  
700 GOVERNORS DRIVE  
PIERRE, SD 57501-2291  
**PHONE:** 605-773-3656 or  
866-854-5465  
**FAX:** 605-773-4085  
**WEB:** [dss.sd.gov](http://dss.sd.gov)

### **Add-On Payment Information Requirements for Individuals who have Multiple Chronic Complex Medical Conditions**

When Medicaid is the primary payor for a resident of a South Dakota nursing home, the facility may request an additional add-on payment above and beyond the normal nursing facility reimbursement for those individuals needing extraordinary care which is not addressed in the normal reimbursement methodology. Medicaid reimbursement for services provided to a recipient residing in state shall be the per diem rate plus a negotiated rate to cover additional extraordinary treatment.

The Department will negotiate with providers on a case-by-case basis to determine the negotiated rate for recipients requiring extraordinary care. Providers are responsible for notifying the Department of significant changes in an individual's condition. A new rate may be negotiated when this change occurs.

The add-on payment will be negotiated on an individual basis between the Department of Social Services and the provider. Medicaid reimbursement for services provided to an extraordinary recipient in state shall be the per diem rate (case mix rate) plus a negotiated rate to cover the additional cost of medically necessary services and supplies associated with the treatment of extraordinary recipients to encompass but not exceed the total cost of care for the individual.

Extraordinary care includes caring for individuals who have multiple chronic complex medical need who meet the following criteria:

- Individual must meet the criteria for SD Medicaid;
- Individual must meet the criteria for nursing facility level of care;
- Individual must require specialized equipment and/or increased staff resources;
- Individual must have physician documented diagnoses of multiple complex medical conditions to document the co-morbidities; and
- Individual requires specialized, non-standard equipment or services that would not be encompassed by Routine Services as defined in the Medicaid State Plan.

For consideration of the add-on payment, the following information must be submitted to the Department of Social Services' Division of Adult Services and Aging (ASA). Please contact Beth Dokken RN, ASA Nurse Consultant Program Manager by phone at 605-773-3656 or email [beth.dokken@state.sd.us](mailto:beth.dokken@state.sd.us) if you have any questions about this process.

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1. Name of Resident \_\_\_\_\_
2. Resident's South Dakota Medicaid Number: \_\_\_\_\_
3. Provider's South Dakota Medicaid Number: \_\_\_\_\_
4. Provider Contact Name & Phone #for Clinical Information: \_\_\_\_\_
5. Information to submit includes:
  - Provide current signed physician progress notes that document the resident's diagnoses, conditions, and specialized equipment required if appropriate.
  - Recent history and physical.
  - Copy of applicable lab and x-ray reports.
  - Copy of nurse's notes that document the individual's needs resulting in increased staff resources.
  - Copy of treatment plans.
  - Documentation that supports a need for reimbursement beyond the case-mix rate.
  - Invoices for rental or (if approved by the Department) purchase of specialized equipment.

The above information must be submitted before the initial authorization or reimbursement can occur, and submitted on a monthly basis thereafter. The Department of Social Services will request additional information when needed to help determine authorization of services.

Once the above information is received, the Department of Social Services will review the medical information to determine if the criteria are met. If criteria have been met, the Department of Social Services' Office of Provider Reimbursement and Audits will calculate an additional payment rate based on the specific costs of the extraordinary care to be provided. A contract will be prepared and routed for signature indicating the agreement to provide specialized services as authorized.

Once approval is determined, the rate has been set, and a contract has been signed by both parties, a document will be provided to the facility and to the Department of Social Services' Office of Provider Reimbursement and Audits authorizing additional payment for the specified services, to include a period of authorization and the review date.